# GOVERNMENT OF INDIA
# RAILWAYS
# LOK SABHA

UNSTARRED QUESTION NO:1027
ANSWERED ON:01.03.2001
FUNDS RAISED BY IRFC
AMBATI BRAHMANAIAH

**Will the Minister of RAILWAYS be pleased to state:**

(a) the total funds raised by the Indian Railway Finance Corporation during 1999-2000 and 2000-2001 till date;

(b) the amount of interest being paid by IRFC on these amount;

(c) whether there is any efforts to get cheaper finance for the Railways; and

(d) if so, the details of such efforts?

## Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI DIGVIJAY SINGH)

(a) An amount of Rs. 2836 crore was raised during the year 1999-2000. An amount of Rs. 2722 crore has been raised so far during the current year 2000-01.

(b) Interest, at the average rate of 11.74% per annum, is being paid on the funds raised during the year 1999- 2000. Interest at the average rate of 11.19% per annum will be payable on the funds raised so far during 2000- 01. The amount of interest paid will vary from year to year based on the outstanding balance.

(c) & (d) Indian Railway Finance Corporation (IRFC) is tapping domestic as well as overseas capital markets through diverse instruments to raise a pool of resources with varying tenors so as to reduce the average costs of borrowing. Efforts are also being made to obtain tax concessions and incentives for investments in railway rolling stock assets, with a view to further reducing the cost of capital.